## OF THE STATE OF SOUTH DAKOTA

| IN THE MATTER OF THE FILING BY VARTEC | ) | ORDER GRANTING      |
|---------------------------------------|---|---------------------|
| TELECOM, INC. FOR APPROVAL OF ITS     | ) | PETITION FOR WAIVER |
| INTRASTATE SWITCHED ACCESS TARIFF     | ) |                     |
| AND FOR AN EXEMPTION FROM             | ) | TC03-061            |
| DEVELOPING COMPANY SPECIFIC COST-     | ) |                     |
| BASED SWITCHED ACCESS RATES           | ) |                     |

On March 20, 2003, the Public Utilities Commission (Commission) received a petition from Vartec Telecom, Inc. (Vartec) for approval of its intrastate switched access tariff. Additionally, on May 22, 2003, Vartec requested an exemption from the requirement to develop intrastate switched access rates based on company specific costs and a waiver of the use of the formula in ARSD 20:10:27:12, so as to mirror the Qwest Corporation tariffed access rates. Vartec also requested a waiver of ARSD 20:10:27:07. On May 22, 2003, the Commission received revised tariff page 68 from Vartec

On June 3, 2003, the Commission considered Vartec's request for approval of its intrastate switched access tariff, an exemption from establishing switched access rates based on company specific costs, and a waiver of the use of the formula in ARSD 20:10:27:12, so as to mirror the Qwest Corporation tariffed access rates. The Commission has jurisdiction over this matter pursuant to SDCL 49-31-18, 49-31-19, ARSD 20:10:27:11 and ARSD 20:10:27:12. The Commission voted to grant the petition for exemption from developing company specific cost-based switched access rates pursuant to ARSD 20:10:27:11, grant a waiver of the use of the formula in ARSD 20:10:27:12, so as to mirror the Qwest Corporation tariffed access rates, grant a waiver of ARSD 20:10:27:07, and approve Vartec's intrastate switched access tariff, as revised. The Commission further ordered that Vartec, within three years of the date of this Order, file a petition to continue the exemption granted in this proceeding or file cost-based rates. The Commission voted to grant the petition for exemption as conditioned herein and approve the tariff, as revised. It is therefore

ORDERED, that Vartec's petition to be exempt from establishing company specific cost-based switched access rates is granted, its request for a waiver of the use of the formula in ARSD 20:10:27:12, so as to mirror the Qwest Corporation tariffed access rates is granted, its intrastate switched access tariff, as revised, is approved, and the Commission granted a waiver of ARSD 20:10:27:07; and it is further

ORDERED, that Vartec shall, within three years of the date of this order, file a petition to continue the exemption granted in this proceeding or file cost-based intrastate switched access rates.

Dated at Pierre, South Dakota, this 10th day of June, 2003.

| CERTIFICATE OF SERVICE   |
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| The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon. |
| By:  |
| Date:  |
| (OFFICIAL SEAL)  |

| BY ORDER OF THE COMMISSION: |
|-----------------------------|
| ROBERT K. SAHR, Chairman    |
| GARY HANSON, Commissioner   |
| JAMES A. BURG, Commissioner |